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SL FIELD
OFFICE

STAR STONE QUARRIES, INC '03 DEC 11 PM 2 02

4040 South 300 West
Salt Lake City, UT 84107

DEPT OF INTERIOR
BUR. OF LAND MGMT

m/043/012

Mr. Brad D. Palmer
U.S. Dept of the Interior
Bureau of Land Management
2370 South 2300 West
Salt Lake City, UT 84119

Mineral Material Sales: for October 2003
Brown's Canyon, Summit County, UT
Mineral Material Sale # 3600 U-77786 (UT-023)

<u>Amount Removed</u>	<u>@ \$0.53/ton</u>	<u>TOTAL</u>
0 tons	X \$ 0.53 =	\$0.00

Thank You

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JAN 12 2004

DIV. OF OIL, GAS & MINING

STAR STONE QUARRIES, INC

4040 South 300 West
Salt Lake City, UT 84107

MF 10/2/03

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

IN REPLY
REFER TO:

SHORT NOTE TRANSMITTAL

8/18/03
(Date)

TO Casefile U- 77786

FROM Geologist

SUBJECT: Second Installment Relating to
Star Stone Quarries Contract dated
8/18/03.

During Lon Thomas' visit to the office, he mentioned that he did not have a current customer for the limestone aggregate at this time. Lon does not plan on removing this material anytime soon. When a customer is obtained, Lon stated he'd bring in the second installment of \$1,000.00 prior to extracting the minerals as noted in Section 3(a) of his contract.

Thus, this office received only the first installment of \$1,000.00 today.

Chris M. [Signature]
Note: Return this form when action is completed or attach if no data requested

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CONTRACT FOR THE SALE OF MINERAL MATERIALS

FORM APPROVED
OMB NO. 1004-0103
Expires: October 31, 2002

Office

Salt Lake Field Office

Contract Number

U-77786

The UNITED STATES OF AMERICA acting through the Bureau of Land Management and you, the purchaser, make this AGREEMENT, under the authority of the Act of July 31, 1947 (61 Stat. 681), as amended (30 U.S.C. 601 through 604), and the regulations at 43 CFR, Group 3600.

We agree: **Star Stone Quarries**

Sec. 1. *Contract area* - Under the terms and conditions of this contract, the United States sells to you and you buy the mineral materials listed in Section 2 and contained in the following lands as shown on the map and mining plan attached to this contract:

COUNTY	STATE	TOWNSHIP	RANGE	SECTION	ALIQUOT PARTS	MERIDIAN	ACREAGE
Summit	Utah	1 South	5 East	20	SE1/4NW1/4	SLB&M	11

Pit Name (if any): **Browns Canyon Community Pit**

Sec. 2. *Amount and price of materials* - The United States determines the total purchase price by multiplying the total quantity of each kind of mineral material designated by the unit price given below, or as changed through reappraisal.

KIND OF MATERIALS	QUANTITY (Units Specified)	PRICE PER UNIT	TOTAL PRICE
Crushed Limestone Aggregate	10,000 tons	\$0.53	\$5,300.00
TOTAL			\$5,300.00

BLM's determination of the amount of materials that you have taken under the contract is binding on you. You may appeal this determination as provided in Sec. 16.

You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown above. You may not mine more than the quantity of materials shown in the contract.

Sec. 3. *Payments, title, and reappraisals* - You receive title to the mineral materials only after you have paid for them and extracted them. You may not extract the materials until you have paid in advance for them either: ☐ in full, or ☒ in installments of \$ 1,060.00 each.

☐ If you pay in full in advance, BLM will check this box, and subsections 3(a) through 3(c) do not apply to your contract. You must pay in full for all sales of \$2,000 or less.

(a) If you pay in installments, you must pay the first installment before BLM approves the contract, and you must pay the second installment before beginning to extract the minerals.

(b) Your next installment payment becomes due when the value of the materials you extract is equal to the amount of the second and any later installments you have already paid.

(c) The United States will retain the first installment as security for your full and faithful performance and will apply it to the last installment required to make the total payment equal to the total price given in section 2.

The total purchase price equals the sum of the total quantities removed, multiplied by their respective unit prices. The balance due when less than a full installment remains to be paid is the value of the material remaining under this contract. You must pay the total purchase price not later than 60 days before the contract expires.

If you are late making an installment payment, you must not remove any more material until you have paid. Removing material you have not paid for is trespass, and for trespass you must pay at triple the appraised unit price, or at triple the reappraised unit price if BLM has made a reappraisal. To resume removal operations after you were late making payments, you must obtain BLM's written approval.

Sec. 4. *Risk of loss* - You assume complete risk of loss for all materials to which you have title. If material covered by this contract is damaged or destroyed before title passes, you are liable for all loss suffered if you or your agents are directly or indirectly responsible for the damages. If you are not responsible for the damage or destruction, you are liable only to the extent that the loss was caused by your failure to remove the material under the terms of this contract. You are still liable for breach of contract or any wrongful or negligent act.

Sec. 5. *Responsibility for damage to materials not sold to you* - You are responsible for loss or damage to materials not sold whether you are directly or indirectly responsible. You are also responsible for not performing under the contract according to BLM's instructions. If the United States incurs any costs resulting from your breach of any contract terms or from your failure to use proper conservation practices, you are responsible. If the damage resulted from willful or gross negligence, you are liable for triple the appraised value of the damaged or destroyed materials. If the damage or destruction did not result from willful or gross negligence, you are liable for lesser charges, but not less than the appraised value of the materials.

Sec. 6. *Stipulations and reserved terms* - Your rights are subject to the regulations at 43 CFR Group 3600 and to any stipulations and the mining plan attached to this contract.

☒ BLM will check this box if there are stipulations attached to this contract.

(Continued on reverse)

Sec. 7. *Notice of operations* - You **must** notify **BLM** immediately when you begin and end operations under this contract.

Sec. 8. *Bonds* - (a) You **must** furnish **BLM** with a bond in the amount of \$ 0.00 as a condition of issuing this contract.

(b) If you do not perform all terms of the contract, BLM will deduct an amount equal to the damages from the face amount of the bond. If the damages exceed the amount of the bond, you are liable for the excess. BLM will cancel the bond or return the cash or U.S. bonds you supplied when you have completed performance under this contract.

(c) BLM will require a new bond when it finds any bond you furnish under this contract to be unsatisfactory.

Sec. 9. *Assignments* - You may not assign this contract without BLM's written approval.

Sec. 10. *Expiration of contract* - This contract will expire 5 years, 0 months, 0 days from its approval date, unless BLM extends the term.

Sec. 11. *Violations, suspensions and cancellations*. (a) If you violate any provisions of this contract, BLM may suspend your operations after giving you written notice. You may continue only operations necessary to remedy the violation.

If you fail to remedy the violations within 30 days after you receive the suspension notice, BLM may cancel the contract and recover all damages suffered by the United States, including applying any advance payments you made under this contract toward the payment of the damages. If this occurs, BLM will notify you in writing.

(b) If you extract any mineral materials sold under this contract during the suspension period, or after the contract has expired or been canceled, you have committed willful trespass and are liable for triple damages.

Sec. 12. *Responsibility for damages suffered or costs incurred by the United States*. If you, your contractors, subcontractors or employees breach this contract or commit any wrongful or negligent act, you are liable for any resulting damages suffered or costs incurred by the United States. You **must** pay the United States within 30 days after receiving a written demand from BLM.

Sec. 13. *Extensions of time*. BLM may grant you an extension of time in which to comply with contract provisions if you apply in writing no less than 30 or more than 90 days before your contract expires. The conditions for BLM's granting the extension of time are found in the regulations at 43 CFR 3610.1-7.

Sec. 14. *Time for removing personal property*. You have 30 days from the date this contract expires to remove your equipment, improvements, and other personal property from United States lands or rights-of-way. You should not remove any improvements to United States roads, such as paving, culverts, or bridges, which have become a permanent part of the road. BLM may grant no more than 90 days to allow you to remove your personal property. Any property remaining after this period ends becomes the property of the United States, but you will remain liable for the cost of removing it and restoring the site.

Sec. 15. *Equal opportunity clause* - The actions you take in hiring **must** comply with the provisions of Executive Order No. 11246 of Sept. 24, 1965, as amended, which describe the non-discrimination clauses. You may get a copy of this order from BLM.

Sec. 16. *Appeal* - You may appeal any decision that BLM makes in regard to this contract under parts 4 and 1840 of the Title 43 of the Code of Federal Regulations.

The following parties have executed this contract as of:

PURCHASER

Star Stone Quarries, Inc.

(Individual or Firm Name)

4040 South 300 West

(Address)

(801) 462-4300

(Phone Number - include area code)

(Signature)

(Signature)

THE UNITED STATES OF AMERICA

By

[Signature]

(Authorized Officer)

[Signature] Assistant F.O. Manager, Non-Renewable Resources

(Title)

8-18-03

(Date)

If you are a corporation, affix corporate seal here:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly or willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction, subject to a fine of up to \$10,000 and imprisonment up to 5 years.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501-et seq.) requires us to inform you that:

BLM is collecting this information to process your application and effect a binding contract.

BLM will use this information to identify and communicate with applicants.

You **must** respond to this request to get a benefit.

A federal agency may not conduct or sponsor, and you are not required to respond to, an information collection which does not have a currently valid OMB control number.

AUTHORITY: 30 U.S.C. 601 et seq.; 43 CFR 3600

PRINCIPAL PURPOSE: BLM uses this information to identify the parties entering into contracts for disposing of mineral materials.

ROUTINE USES: BLM will transfer information from the record or the record itself to appropriate federal, state, local, or foreign agencies, when relevant to criminal, civil, or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: If you do not provide this information to BLM, we will not be able to process your application for a contract.

BLM estimates the public reporting burden for this form at an average of 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (1004-0103), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

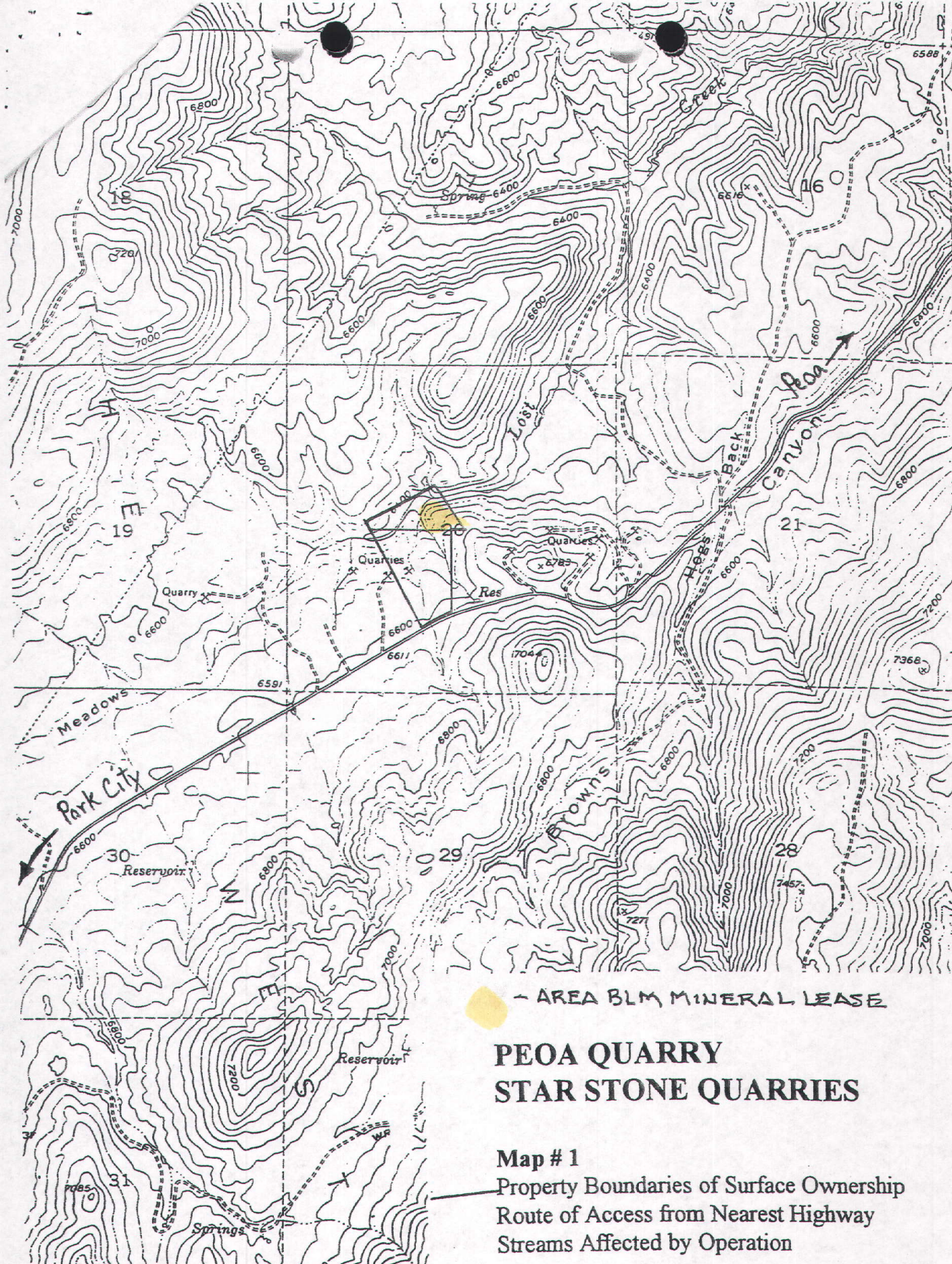
EXHIBIT 'B'
BROWNS CANYON COMMUNITY PIT
LIMESTONE AGGREGATE STIPULATIONS
SALT LAKE FIELD OFFICE

1. The proponent shall affect a minimum of vegetative and soil disturbance consistent with practical construction operations.
2. For the entire period of use, and for up to five years post operation, the operator is required to survey and treat noxious weeds. The Bureau of Land Management (BLM) authorized officer will determine when noxious weed treatments may end based on the operator's annual report and BLM spot checks of the area. Treatments would not be required for more than five years after the operation has closed. A survey must be conducted early each summer by the operator. The weeds which must be treated are weeds on the Utah Noxious Weed list (appendix Z). The operator may choose the treatment method, but the method(s) selected must be approved in writing by BLM. Presently, for the species of greatest concern in the project area, treatment with herbicides would be the most effective. Herbicide treatments must be conducted by a pesticide applicator certified by the State of Utah. Herbicides and adjuvants must be used according to all label directions, including safety and environmental protection stipulations. Treatments would be made once or twice a year, depending on species being treated and the treatment being used. Each year the operator would provide BLM with a report describing the preceding years noxious weed survey and treatment activities.
3. At the conclusion of operations, and as a part of final reclamation of the site, any waste dumps created during the course of operations must be pulled back into the quarry floor for use as a sub-base for the subsequent placement of fines, topsoil and compost materials.
4. No hazardous material (other than that listed by the operator in the proposed action) shall be stored or disposed of on-site. Petroleum spills of one-half quart or more will be immediately cleaned up and properly disposed of. For larger spills, the operator must contact the Salt Lake Field Office within 24 hours so that BLM hazardous material clean up policies and procedures are complied with.
5. For complete administrative access to the mine site in order to conduct inspections of the operation and for monitoring purposes, the operator must allow the BLM access to the Browns Canyon Community Pit at all times. This could be accomplished by the operator interlocking his lock with a BLM padlock at the main gate or by some other similar method.
6. Prior to the extraction of material from undisturbed areas, 6 inches of topsoil must be stripped and stockpiled in windrows with the long axes into the prevailing wind direction, for use in reclamation of the area.

7. The operator is required to re-seed all areas where the vegetation has been destroyed by operator's vehicles and tracks.
8. The operator is required to confine access to existing routes of travel.
9. If cultural or paleontological resources are discovered during the course of operations, all work at the point of discovery must cease and the Salt Lake Field Manager must be notified.
10. The operator shall maintain the site free of trash and refuse during operations and at the termination of project activities.
11. The operator is required to submit monthly reports (due on the first of each month of each year) stating the quantity of material taken from the Community Pit in tons, even if no material has been removed during that time period.
12. All disturbed drainage areas are to be returned to their approximate pre-mining condition at the conclusion of operations.
13. The operator is required to obtain any necessary conditional use permit(s) from Summit County prior to the onset of operations.
14. At the conclusion of operations, the surface shall be covered with any stored overburden and topsoil, then re-seeded with the following seed mixture:

Recommended Revegetation Species List

Species	pounds per acre Pure Live Seed
Wyoming big sagebrush	0.1
Rocky Mountain penstemon	1.0
Orchardgrass	2.0
Yellow Sweetclover	1.0
Forage Kochia	1.0
Saskatoon Serviceberry	1.0
Alfalfa	1.0
Intermediate Wheatgrass	3.0
Antelope Bitterbrush	1.0
Small Burnet	1.0
Thickspike Wheatgrass	2.0
Bluebunch Wheatgrass	2.0
Basin Wildrye	<u>1.0</u>
Total	17.1



- AREA BLM MINERAL LEASE

PEOA QUARRY STAR STONE QUARRIES

Map # 1

- Property Boundaries of Surface Ownership
- Route of Access from Nearest Highway
- Streams Affected by Operation